AMENDED IN SENATE JUNE 14, 2010

AMENDED IN SENATE SEPTEMBER 4, 2009

AMENDED IN SENATE SEPTEMBER 1, 2009

AMENDED IN SENATE JULY 15, 2009

AMENDED IN SENATE JUNE 22, 2009

AMENDED IN ASSEMBLY MARCH 31, 2009

AMENDED IN ASSEMBLY FEBRUARY 19, 2009

CALIFORNIA LEGISLATURE—2009-10 REGULAR SESSION

ASSEMBLY BILL

No. 46

Introduced by Assembly Member Blakeslee

Introduced by Assembly Member Monning

December 1, 2008

An act to amend Sections 32321, 32322, and 32942 of, and to repeal Section 32208 of, the Financial Code, and to amend Sections 25421 and 25449.4 of the Public Resources Code, relating to energy, and making an appropriation therefor. An act to add and repeal Section 15360.5 of the Elections Code, relating to elections, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 46, as amended, Blakeslee Monning. Energy. Elections: official canvass: manual tally.

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Existing law requires, during the official canvass of an election in which a voting system is used, the official conducting the election to conduct a public manual tally of the ballots tabulated by those devices, including vote by mail voters' ballots, cast in 1% of the precincts chosen at random by the elections official.

This bill would authorize an official who conducts an election in San Luis Obispo County, Santa Barbara County, Santa Clara County, or Santa Cruz County that takes place on June 8, 2010, June 22, 2010, or August 17, 2010, to conduct a public manual tally by alternative means than those described above. Specifically, the bill would permit the official conducting the election to conduct a separate manual tally of the ballots cast in 1% of the precincts chosen at random by the elections official and a separate manual tally of no less than 1% of the vote by mail ballots cast in the election.

This bill would declare that it is to take effect immediately as an urgency statute.

(1) Existing law creates the nonprofit State Assistance Fund for Enterprise Business and Industrial Development Corporation (SAFE-BIDCO). Existing law provides that the board of directors of SAFE-BIDCO shall consist of 2 official members and 4 public members. Existing law provides that the 2 official members of the board of directors shall be a member of the Governor's cabinet, or his or her designee, and a member of the State Energy Resources Conservation and Development Commission, selected and appointed by the members of the commission.

This bill would authorize the member of the State Energy Resources Conservation and Development Commission to appoint a designee to serve on the board of directors of SAFE-BIDCO on his or her behalf. The bill would make conforming changes, including changes to a provision related to a specified loan committee.

(2) Existing law requires the State Energy Resources Conservation and Development Commission to administer the State Energy Conservation Assistance Account, a continuously appropriated account, in the General Fund, until January 1, 2011, to provide grants and loans to local governments and public institutions to maximize energy use savings. All loans outstanding as of that date are required to continue to be repaid, as specified, until paid in full, and all unexpended funds in the account on and after that date, except as specified, are required to revert to the General Fund.

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This bill would extend the operation of the above provisions to January 1, 2012, and would thereby make an appropriation by extending the time during which funds in a continuously appropriated account are made.

(3) Existing law also establishes, until January 1, 2011, a financial assistance program that requires the commission to provide loans to local jurisdictions for energy projects, including projects to purchase, maintain, and evaluate energy efficient equipment for existing or new facilities. Existing law establishes the Local Jurisdiction Energy Assistance Account in the General Fund for the purposes of the program, requires the funds to be disbursed by the Controller as authorized by the commission, and on January 1, 2011, requires that all unexpended funds in that account, except as specified, be deposited in the Federal Trust Fund for specified purposes.

This bill would extend the operation of the above program to January 1, 2016.

Vote: $\frac{2}{3}$. Appropriation: $\frac{yes}{no}$. Fiscal committee: $\frac{yes}{no}$. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 15360.5 is added to the Elections Code, 2 to read:
- to read:
 15360.5. (a) During the official canvass of any election in San
- 4 Luis Obispo County, Santa Barbara County, Santa Clara County,
- 5 or Santa Cruz County conducted on June 8, 2010, June 22, 2010, 6 or August 17, 2010, the official conducting the election may, in
- 6 or August 17, 2010, the official conducting the election may, in 7 lieu of subdivision (a) of Section 15360, conduct a public manual
- 8 tally of the ballots tabulated by the voting system used in the
- 9 election by completing all of the following:
- 10 (1) A public manual tally of the ballots, not including vote by mail ballots, cast in 1 percent of the precincts chosen at random
 - by the elections official. If 1 percent of the precincts is less than
- 13 one whole precinct, the tally shall be conducted in one precinct
- 14 chosen at random by the elections official. In addition to the 1
- 15 percent manual tally, the elections official shall, for each race not
- 16 included in the initial group of precincts, count one additional
- 17 precinct. The manual tally shall apply only to the race not
- 18 previously counted.

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(2) A separate public manual tally of not less than 1 percent of the vote by mail ballots cast in the election. Batches of vote by mail ballots shall be chosen at random by the elections official. For the purposes of this section, "batch" means a set of ballots tallied by the voting system and for which the voting system can produce a report of the votes cast. In addition to the 1 percent manual tally of the vote by mail ballots, the elections official shall, for each race not included in the initial group of batches of vote by mail ballots, count one additional batch of vote by mail ballots. The manual tally shall apply only to the race not previously counted.

- (b) Additional precincts for the manual tally described in subdivision (a) may be selected at the discretion of the elections official.
- (c) If vote by mail ballots are cast on a direct recording electronic voting system at the office of an elections official or at a satellite location of the office of an elections official pursuant to Section 3018, the official conducting the election shall either include those ballots in the manual tally conducted pursuant to subdivision (a) or conduct a public manual tally of those ballots cast on not less than 1 percent of all the direct recording electronic voting machines used in that election chosen at random by the elections official.
- (d) The elections official shall use either a random number generator or other method specified in regulations that shall be adopted by the Secretary of State to randomly choose the initial precincts, batches of vote by mail ballots, or direct recording electronic voting machines subject to a public manual tally pursuant to subdivision (a).
- (e) The manual tally conducted pursuant to subdivision (a) shall be a public process, with the official conducting the election providing at least a five-day public notice of the time and place of the manual tally and of the time and place of the selection of the precincts, batches, or machines from which ballots are to be tallied prior to conducting the tally and selection.
- (f) The official conducting the election shall include a report on the results of any 1 percent manual tally conducted pursuant to subdivision (a) in the certification of the official canvass of the vote. This report shall identify any discrepancies between the machine count and the manual tally and a description of how each

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of these discrepancies was resolved. In resolving any discrepancy involving a vote recorded by means of a punchcard voting system or by electronic or electromechanical vote tabulating devices, the voter verified paper audit trail shall govern if there is a discrepancy between it and the electronic record.

- (g) This section shall remain in effect only until January 1, 2011, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2011, deletes or extends that date.
- SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

A special election is scheduled to take place on June 22, 2010, in San Luis Obispo County, Santa Barbara County, Santa Clara County, and Santa Cruz County, the cost of which will put a significant strain on the counties' budgets and negatively impact the ability of the counties to provide critical services. In order to save county funds, it is necessary that this act take effect immediately.

SECTION 1. Section 32208 of the Financial Code is repealed. SEC. 2. Section 32321 of the Financial Code is amended to read:

32321. (a) The official members of the board shall be:

- (1) A member of the Governor's cabinet, or his or her designee.
- (2) One member of the State Energy Resources Conservation and Development Commission, or his or her designee, selected and appointed by the members of the State Energy Resources Conservation and Development Commission.
- (b) The public members of the board shall be:
- (1) One member selected and appointed by the Senate Rules Committee.
- (2) One member selected and appointed by the Speaker of the Assembly.
- (3) Two members selected and appointed by the Governor as follows:
- (A) One member with a minimum three years' experience as an owner, partner, officer, or employee of a California-based small business.
- (B) One member with a minimum three years' experience as an officer or employee of a financial institution.

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SEC. 3. Section 32322 of the Financial Code is amended to read:

- 32322. (a) The terms of official members of the board shall coincide with their official terms of office, except in the case of the member selected and appointed by the members of the State Energy Resources Conservation and Development Commission, or his or her designee, who shall serve on the board until he or she is no longer a member of the State Energy Resources Conservation and Development Commission, or until he or she is replaced by a vote of the State Energy Resources Conservation and Development Commission, or until his or her designation is revoked.
- (b) The public members of the board shall be appointed by the Rules Committee, Speaker, and Governor in such a manner that they shall hold office for overlapping terms. At the time of the appointment of first directors, the first term of the directors appointed by the Rules Committee and Speaker shall be approximately two years. At the time of the appointment of first directors, the first term of the directors appointed by the Governor shall be approximately one year for one director and approximately three years for two directors. Thereafter, the terms of all public directors shall be three years. Directors shall be eligible for reappointment for an unlimited number of terms.
- (c) A public director's tenure shall continue until his successor has been appointed and has taken his position on the board.
- (d) In the case of public members, vacancies shall be filled by appointment of the respective appointing authority for the unexpired remainder of the term.
- SEC. 4. Section 32942 of the Financial Code is amended to read:
- 32942. Loans shall be approved according to criteria established by a credit committee, chaired by the chief financial officer of the corporation or that officer's designee. The other members of the committee shall be the member of the board appointed by the State Energy Resources Conservation and Development Commission, or his or her designee, and the corporate president.
- 36 SEC. 5. Section 25421 of the Public Resources Code is amended to read:
- 38 25421. (a) Except as provided in subdivision (b), this chapter shall remain in effect only until January 1, 2012, and as of that

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date is repealed, unless a later enacted statute, that is enacted before January 1, 2012, deletes or extends that date.

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- (b) All loans outstanding as of January 1, 2012, shall continue to be repaid on a semiannual basis, as specified in Section 25415, until paid in full. All unexpended funds in the State Energy Conservation Assistance Account on January 1, 2012, and thereafter, except to the extent those funds are encumbered pursuant to Section 25417.5, shall revert to the General Fund.
- SEC. 6. Section 25449.4 of the Public Resources Code is amended to read:
- 25449.4. (a) Except as provided in subdivision (b), this chapter shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.
- (b) All loans outstanding as of January 1, 2016, shall continue to be repaid in accordance with a schedule established by the commission pursuant to Section 25442.7, until paid in full. All unexpended funds in the Local Jurisdiction Energy Assistance Account on January 1, 2016, and thereafter, except to the extent that those funds are encumbered pursuant to Section 25443.5, shall be deposited in the Federal Trust Fund and be available for the purposes for which federal oil overcharge funds are available pursuant to court judgment or federal agency order.